Appendix no. 4

**RIGHTS EXPROPRIATION / SALE AGREEMENT no. ...**

Riga, Latvia , 2022

The Institute of Solid State Physics of the University of Latvia, scientific institution registration certificate No. 381016, legal address: 8 Kengaraga Street, Riga, LV – 1063, in the person of its director Andris Anspoks (hereinafter - *the Right Holder*), on the one part, and

Details of a natural or legal person (hereinafter – *the Successor*), in the person of its member of the board..., Acting on the basis of the Statutes, on the other part, hereinafter referred to collectively as *the* *Parties*,

1. pursuant to the regulatory enactments of the Republic of Latvia and taking into account the fact that the Right Holder owns the ownership rights as well as the copyright rights to the technology referred to in Clause 1.1 of this Agreement as confidential information within the meaning of the Trade Secret Protection Law,
2. and taking into account the results of the intellectual property auction organized by the Right Holder, the price offered by the Successor in the auction

entered into this Agreement for the following:

1. Subject of the Agreement
	1. The Right Holder undertakes to transfer, and the Successor undertakes to accept the ownership as well as the copyright in the technology “Optical Gas Sensor” (hereinafter - *the Technology*).
	2. The Parties may separately agree to strengthen the protection of intellectual property by filing a patent(s) in the Republic of Latvia or in other jurisdictions. In this case, the Right Holder shall arrange for the filing and registration of patent applications and the Successor shall reimburse the Right Holder for the costs.
	3. The right to use the Technology shall pass to the Successor from the date of signing this Agreement and receipt of the payment specified in Clause 4.2.1 of this Agreement in the bank account specified by the Right Holder.
	4. The Successor, in compliance with the provisions of the Agreement, agrees to pay EUR 467’510.00 (four hundred and sixty-seven thousand five hundred and ten euros) for the Technology.
	5. Licensee agrees that neither he nor his authorized representative will contest the patent and copyright underlying this Agreement.
2. Certifications

2.1. The Right Holder certifies that he has the right to enter into this Agreement on the terms set forth therein, to assume the obligations specified therein, as well as that the transferable exclusive rights are not encumbered with other obligations in relation to third parties, is not prohibited, is not the subject of legal disputes.

2.2. The Parties confirm that they do not have any restrictions of legal capacity or other legal obstacles to concluding the Agreement.

2.3. The Successor acknowledges that it is aware of the risk that the registration of the Patent may be refused, in which case the Successor shall not be entitled to demand a refund from the Right Holder.

1. Rights, obligations and responsibilities of the Parties

3.1. All ownership rights of the Right Holder will be transferred to the Successor in full upon the payment described in clause 4.2.1. of the Agreement is done, in exchange for obtaining an exclusive license to use the Technology for research.

3.2. By entering into this Agreement, the Successor is aware of the use of the Technology and the potential of the patenting. By signing this Agreement, the Successor has no claim against the Right Holder in this regard.

3.3. A Party that is in bad faith and fails to perform its obligations under the Agreement shall be liable for damages caused to the other Party.

3.4. If the registration of the Patent is refused, the successor is not entitled to make claims against the Right Holder and claim the payments specified in clauses 4.2.1 and 4.2.2 of the Agreement.

3.5. If the patent or several patents are registered, the successor must ensure the maintenance of the Patent(s) until the expiry of the Agreement or full fulfilment of obligations, covering the necessary maintenance costs of the Patent(s) and submitting to the Right Holder certifying documents on the extension of the Patent(s) not later than 3 (three) months before the term of the Patent.

3.5.1. In the event that the Successor has not submitted a document certifying the maintenance of the Patent(s) before the term of the Patent(s), the Right Holder is entitled to request unilateral termination of the Agreement and revocation of the transfer of ownership by performing the necessary maintenance of the Patent(s).

3.6. The Successor is not entitled to resell the ownership of the Patent(s) to third parties without the consent of the Right Holder or before full payment of the price specified in Clause 4.1 of the Agreement.

3.7. Any fact of transfer of ownership shall be formalized by a deed of delivery and acceptance signed by the Parties.

1. Purchase fee and payment procedure
	1. The Parties agree on the price of the transfer of Technology and Patent rights - EUR 467’510.00 (four hundred and sixty-seven thousand five hundred and ten euros) (hereinafter *- the Contract Price*), excluding value added tax (hereinafter - *VAT*).
	2. The Successor shall pay the Contract Price to the Right Holder in accordance with the following procedures and terms:
		1. 4.2.1. a single initial payment for the acquisition of the right to use the Technology EUR 78’050.00 (seventy-eight thousand and fifty euros) without VAT, which is made by the Successor within 10 (ten) days from the conclusion of the Agreement in accordance with the invoice prepared by the Right Holder;
		2. 4.2.2. annual fixed payments for the maintenance of the Technology EUR 77’892.00 (seventy-seven thousand eight hundred and ninety-two euros) without VAT for each year from the conclusion of the Agreement until the total amount of payments reaches the Contract Price referred to in Clause 4.1.;
		3. 4.2.3. All payments provided for in the Agreement are subject to value added tax. The Successor shall pay the value added tax in accordance with the procedures and in the amount specified in regulatory enactments in accordance with the invoices prepared by the Right Holder.

4.3. If the Successor fails to comply with the terms of the Agreement: the payment obligations specified in Clauses 4.2.1. and 4.2.3. of the Agreement, the Right Holder is entitled to demand the return of property rights to the Technology, or to request for an exact payment schedule for the Contract Price or other payment procedures.

4.4. If the Successor does not comply with the payment obligations specified in Clauses 4.2.1. and 4.2.2. of the Agreement, the Right Holder is entitled to apply a penalty in the amount of 0.1% (one tenth of one percent) of the Contract Sum for each day of late performance of obligations, by issuing a penalty invoice to the Successor.

4.5. If the Successor does not comply with the condition of Clause 3.5 of the Agreement, the contractual penalty for the violation is 10% (ten percent) of the Contract Price.

4.6. The Successor is entitled to exercise the patent drop right for the entire duration of the Agreement, but in such case the amount of the payments made must be at least EUR 233’755.00 (two hundred and thirty-three thousand seven hundred and fifty-five euros) excluding VAT. In this case, the successor shall inform the Right Holder in writing. If the amount of the payment does not reach the minimum amount specified in this paragraph, the Right Holder shall be entitled to demand performance of the obligation by applying a contractual penalty for late performance of the obligation: 1% (one percent) of the unpaid amount for each day of performance of overdue obligations.

* 1. Payment of the penalty does not release the Parties from full performance of their obligations.
1. **Duration of the Agreement**
	1. The Agreement is concluded for 5 (five) years and enters into force from the moment it is mutually signed, and the Agreement is valid until the fulfilment of the obligations of the Parties.
	2. The Parties are entitled to terminate the Agreement before its expiration in accordance with the written agreement of the Parties and in accordance with the provisions of the Agreement, if the Successor:
		1. pays to the Right Holder all unpaid payments due to him under the Agreement;
		2. immediately cease all use of the intellectual property - the Technology and the Patent;
	3. If one of the Parties violates any of the provisions of the Agreement and such violation is not remedied within 30 (thirty) working days from the receipt of the other Party's written notice, the other Party may unilaterally terminate the Agreement. The other Party must notify the breaching Party when the Agreement is terminated. The other Party shall send a notice on the date of termination of the Agreement to the Party in breach of the Agreement not later than 30 (thirty) days before the date of termination of the Agreement.
	4. If the breaching Party nevertheless complies with the provisions of the Agreement and eliminates the relevant breach of the Agreement before the date of termination of the Agreement pursuant to the notice of termination, the notice of termination shall be deemed revoked and the Agreement shall remain in force.
2. Force majeure and dispute settlement

6.1. The Parties shall not be liable for the total or partial inability of the Parties to perform their obligations under the Agreement due to *force majeure* or exceptional circumstances, such as fire, natural disasters, acts of prohibition by public authorities, or any other exceptional circumstances which the Parties could not have foreseen or prevented by reasonable means. The duration of the obligations of both Parties shall be postponed in proportion to the duration of such circumstances. If these circumstances continue for more than 3 (three) months, then each of the Parties is entitled to waive further performance of the obligations specified in the Agreement, and in this case neither Party is entitled to claim from the other damages related to the termination of the Agreement.

6.2. The Party whose performance is hindered by *force majeure* circumstances shall notify the other Party in writing of the occurrence and termination of such circumstances within 5 (five) calendar days and shall make every effort to mitigate the harmful consequences of *force majeure*. Relevant evidence of the occurrence and persistence of such circumstances shall be certificates issued by an appropriate public authority.

6.3. The Parties shall be liable for partial or complete non-performance of the provisions of the Agreement in accordance with the provisions of the Agreement, the Civil Law and other regulatory enactments.

6.4. Disputes arising between the Parties during the term of the Agreement shall be settled through negotiations. In the event that no agreement is reached within 30 (thirty) calendar days during the negotiations, the disputes shall be submitted to the court of general jurisdiction of the Republic of Latvia in accordance with the laws and regulations in force in the Republic of Latvia.

6.5. The Parties shall resolve all disputes and disagreements arising in connection with the performance of this Agreement in accordance with the laws and regulations in force in the Republic of Latvia.

6.6. All disputes and disagreements arising in connection with this Agreement shall be settled by negotiations between the Parties. If the Parties do not reach an agreement on the disputed issues through negotiations within 30 (thirty) working days, the dispute shall be submitted to the judicial authorities of the Republic of Latvia.

6.7. The Parties shall be liable to each other for non-performance or improper performance of their contractual obligations and shall indemnify each other for all losses related thereto, except as expressly provided in this Agreement.

1. Final provisions
	1. During the acquisition of intellectual property, at the request of the Successor, the Right Holder may provide the practical assistance and additional scientific and technical information necessary to enable the Successor to implement the intellectual property. The practical assistance of the Right Holder and the necessary scientific and technical information shall be provided for an additional fee by separate written agreement of the Parties.
	2. Issues that are not reflected in the Agreement are considered in accordance with the effective regulatory enactments of the Republic of Latvia.
	3. In the event that one of the clauses of the Agreement becomes invalid, it shall not affect the validity of the other clauses of the Agreement.
	4. The Agreement contains the entire agreement of the Parties, the Parties have read it, agree to all its clauses and confirm it by signing.
	5. All additions, corrections and amendments to the Agreement shall become legally binding if they are made in writing and signed by both parties, becoming an integral part of the Agreement.
	6. Any written information related to the Agreement (including sent electronically) is binding on both Parties and may serve as evidence, if necessary, if the Party that sent the information has received an acknowledgment of receipt from the other Party.
	7. Responsible representatives of the Parties during the term of the Agreement: Representative of the Right Holder \_\_\_\_\_\_\_, e-mail:\_\_\_\_\_, Representative of the Successor\_\_\_\_\_, e-mail: \_\_\_\_. In the event of a change, the other Party must be notified of the change of representative.
	8. The Parties undertake not to disclose to third parties information that has become known to them during the term of this Agreement in fulfillment of their obligations under the Agreement..
	9. In all other matters not provided for in the provisions of this Agreement, the Parties shall be guided by the effective regulatory enactments of the Republic of Latvia. The provisions of this Agreement shall also apply to translations in accordance with the laws and regulations of the Republic of Latvia.
	10. This Agreement is drawn up in English on 6 (six) pages. The Parties shall sign the Agreement with a secure electronic signature containing a time stamp. The date of signing the Agreement is the date of the last attached secure electronic signature and the time stamp.

**8. Details and signatures of the parties**

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| Right Holder**:** | Successor**:** |
| **Institute of Solid State Physics, University of Latvia**Legal address: Ķengaraga street 8, Riga, LV-1063NM reg.No. LV90002124925Checking account: LV41TREL970021903800BBank: State TreasuryBank code: TRELLV2XDirector Andris Anspoks |  |